

## CHAPTER I

### INTRODUCTION

This study of the economic activities of the Chinese salt-dried fish dealers in Beserah was undertaken during the long vacation of the University of Malaya for seven weeks, from 5th June to 20th July, 1958. This graduation exercise is part of the requirements for Honours Degree in Economics at the University.

Beserah is a fishing village on the East Coast of Malaya, about six miles north of Kuantan, the capital of Pahang (Maps I and II). Like any other fishing village on the East Coast, it is mainly inhabited by Malay fishermen. But most of the retail shops are run by the Chinese and Indian businessmen.

#### Purpose and Scope of Study

The main purpose of this study is to find out (a) how Chinese salt-dried fish dealers operate their business; (b) whether they are fair in their dealings with the fishermen; and (c) what other economic activities in which they engage.

The scope of this study is confined to the economic activities of the Chinese salt-dried fish towkays. There are, however, five such towkays in Beserah. The following pages, therefore, are the analysis and description of the economic activities of these five Chinese fish dealers.

#### Methods

In collecting the material the writer employed two methods. The first method is that the towkays concerned were approached

individually from time to time for information regarding their business transactions (see Questionnaire for Fish Dealers in Appendix I). The second method is that the writer, to counter-check the information given by the towkays as regards their fishing equipment and land holdings, also consulted the Fisheries Office, Kuantan, and Land Office, Kuantan. Moreover, the fishermen who were working for the towkays were also interviewed (see Questionnaire In Appendix II ). It is regrettable that the first method was not met with much success because the towkays were reluctant to give information in detail for fear that the secret of their success would be let out to the two Malay Fishermen's Co-operative Societies in Beserah. Moreover, these towkays were all the time under the impression that the writer was a secret agent of the Income Tax Department. Consequently, they refused to give figures of their annual capital turnover for the previous years, of the amount of investment they usually made in boats and nets annually and of their exports of salt-dried fish for the previous months. The writer, however, managed to obtain from these towkays much useful material regarding methods of how they operate their business.

A brief historical background of the past and present towkays:

During the 1920's there were eight big salt/dried fish dealers in Beserah, the most prominent of which were Chop Kim Hock Seng, Chop Ee Seng, Chop Hiong Hin and Chop Hup Kee. The former three dealers became bankrupt during the pre-war period

and evidence seems to show the bankruptcy of each dealer follows the death of the towkays concerned and then a short period of mis-management by the towkay's son/sons or relatives. For instance, Chop Kim Hock Seng was quite a prosperous dealer, even when the towkay died in 1938. But, soon after his son took over the management, the business rapidly deteriorated as a result of the inexperience and mis-handling of business of his son. It became bankrupt in 1939.

Chop Hup Kee was a branch of the well-known firm in Singapore, Heng Lee Co. Ltd, dealing in salt/dried fish business. This branch was the most successful salt/dried fish dealer in Beserah, extending its business to as far north as Besut, a fishing village in the north of the State of Trengganu. But this branch was closed down in 1951 as a result of mis-management of the branch manager. Heng Lee Co. Ltd also suffered the same fate and was closed down in 1955.

With the closing down of Chop Hup Kee a new fish dealer emerged. He is one of the towkays described in this survey. This towkay is the poorest of the existing five because of the fact that this towkay does not own fishing equipment. Of the other four towkays, one has inherited business from his father and the other three from their fathers-in-law. The predecessors of these four towkays were among the eight big towkays dealing in salt/dried fish as mentioned above. The present four towkays have had at least eighteen years of experience in their business.